



## **Memorandum**

**To:** Honorable Mayor Maso and Members of the Frisco City Council

**cc:** George Purefoy, City Manager  
Cissy Sylo, P.E., Director of Engineering Services

**From:** Elizabeth Metting, P.E., Asst. Director/City Engineer

**Date:** October 8, 2008

**Subject:** Consider and act upon award of Bid Number 0808-068 Competitive Sealed Proposal to Gracon Construction Inc. of Mesquite, Texas and adoption of a Resolution authorizing the City Manager to execute a Contract Agreement for Construction Services for the Remediation of Existing Eldorado/BNSF Pump Station Deficiencies

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**Action Requested:** City Council consideration and approval of the award of Bid Number 0808-068 Competitive Sealed Proposal, to Gracon Construction Inc. of Mesquite, Texas, in the amount of \$8,373,785.00, and act upon a Resolution authorizing the City Manager to execute a Contract Agreement for Construction Services for the Remediation of the Existing Eldorado/BNSF Pump Station Deficiencies.

**Background Information:** In August 2008, the City solicited contractors to construct the improvements designed by Freese and Nichols Inc. (FNI) through competitive sealed proposals. A total of two proposals were received for the project. The bid proposal included a base bid plus two alternatives. The combination of base bid and alternatives offered four bid prices, which depend on the actual field conditions that will be established during the initial stages of construction. FNI and City staff reviewed and ranked the proposals and have recommended award of the construction contract to Gracon Construction. Gracon's proposal provides the best value to the City as defined in the Instructions to Bidders.

Award of the Construction Contract under Option Two Pricing will allow staff the flexibility to adjust to the conditions that will be determined once construction begins. If some of the previously constructed pump station building is found to be

salvageable, staff would then work with FNI and the contractor to reduce the contracted amount correspondingly.

Gracon Construction is a firm with 32 years experience in water and wastewater facilities. Projects previously completed by Gracon for Frisco include construction of the Custer Road Pump Station and the first expansion of Custer Road Pump Station. They have completed a number of projects for area municipalities and agencies, including North Texas Municipal Water District and Dallas Water Utilities.

Construction of this project is expected to take between 12-15 months.

**Alternatives:** The City Council could consider the following alternatives:

- Approval of Resolution;
- Send back to staff with direction.

**Financial Considerations:** This project will be funded from the 2007 Certificate of Obligation.

**Legal Review:** Bob Roeder with Abernathy Roeder Boyd and Joplin, P.C., has reviewed the Competitive Sealed Proposal procurement and believes that the procurement method is applicable for this project

**Supporting Documents:**

- Project Location Map;
- Copy of Resolution;
- Recommendation Letter from FNI;
- Copy of Contract Agreement (excluding General or Supplemental Conditions);
- Copy of Instruction to Bidders;
- Copy of Bid Proposal.

**Staff Recommendation:** Staff recommends placement of this item on the October 8, 2008 City Council meeting agenda to consider and approve the award of bid to Gracon Construction, Inc. of Mesquite, Texas in the amount of \$8,373,785.00 and act upon a Resolution authorizing the City Manager to enter into an Agreement for Construction Services for the Remediation of the Existing Eldorado/BNSF Pump Station Deficiencies. Staff will be present at the meeting to address the City Council's questions relating to this agenda item.